

**Enterprise Information Technology Financial Workgroup
Minutes
June 22, 2017
1:00 PM
Cogswell, Room 151**

Members Present:

Erica Johnston, DPHHS – Chair
Lynne Pizzini, DOA/CISO
Mike Bousliman, MDT
Brandi Pierson, SOS
Nancy Jones, DLI
Tricia Greiberis, DNRC

Dan Stanger, DOJ
Cindy Trimp, DOR
Angie Carter, LEG – Designee
Kris Schmitz, MSL – Designee
Kreh Germaine, DNRC – Designee

Staff Present: Wendy Jackson, Sarah Mitchell

Guests Present: Linda Kirkland, Sam Cooley

Real-time Communication: Tami Gunlock, Stuart Fuller

Welcome

Erica Johnston welcomed the council to the June 22, 2017 Enterprise Information Technology Workgroup (EITFW) meeting. All members and guests were introduced.

Minutes

Motion: Cindy Trimp made a motion to approve the June 1, 2017 minutes. Mike Bousliman seconded the motion. Motion carried.

Business

Statewide Service Rate Change Professional Hourly Rate Decision Brief

Matt Van Syckle reported that the Statewide Service Rate Change Professional Hourly Rate Decision Brief streamlines the State Information Technology Services Division's (SITSD) professional services rate. SITSD service rates will be consolidated from eight rates to two. The new rates will include an Application Technology Services Bureau (ATSB) Developer's rate and a second rate for all other SITSD services. This will reduce the amount of catalog items and result in reduction of the majority of SITSD rates. This decision brief is open for EITFW review until June 28, 2017.

WAN Circuit Pass Through Changes Decision Brief

Mr. Van Syckle discussed the Wide Area Network (WAN) Circuit Pass Through Changes Decision Brief. The goal of this decision brief is to expedite connectivity and negotiate better rates for all WAN circuits on the state network. There are currently five catalogue items dictating costs for network connectivity. For agencies located on the Helena campus, these rates include the campus rate and the jack rate. Off campus sites require WAN connectivity which entails the WAN cost, WAN circuit pass through cost, and jack cost. The changes proposed in this decision brief will revise the WAN circuit pass through cost to a fixed cost billing for the entire biennium, based on FY18 and 19 budget projections. This change will make it easier for SITSD to secure upgrades to network connectivity by removing the requirement to seek agency input prior to conducting upgrades. SITSD will work to make required network changes and upgrades budget neutral and maintain fixed billing costs. This revision will allow SITSD to reduce the time, effort, and complexities involved in network connectivity upgrades and to improve the application and investment of funds. Removing older technology via upgrades reduces the costs of the network across the board. Upgrades will be applied enterprisewide and will not target specific sites or locations. Agencies will retain their current level of network service and capacity. Agencies wishing to increase network capacity may have that cost incorporated into their fixed cost for the biennium.

Q: Nancy Jones: What is the effect of fixed billing for planned and budgeted upgrade projects?

A: Mr. Van Syckle: Previously planned and budgeted projects will not be affected by this change. Additional upgrades can be performed, per agency requests, and the cost incorporated into agency fixed costs.

Q: Mr. Bousliman: What happens to the fixed cost if we drop a site?

A: Mr. Van Syckle: The fixed cost will be based on agency budget provisions and remain unchanged for the entirety of the biennium, regardless of the number of sites.

Q: Tricia Greiberis: How will this fixed cost evolve through the 2020-2021 biennium?

A: Mr. Van Syckle: The goal is to decrease the number of catalogue items and simplify billing. This decision brief is the first step in this process.

Q: Ms. Greiberis: How will additional upgrades, requested by agencies, affect the restricted appropriations subclass?

A: Lynne Pizzini: Upgrade requests, not included in agency budgets, should be funded from sources outside of restricted appropriations.

Q: Ms. Johnston: What if specific projects provided in agency budgets are not included in these upgrades?

A: Mr. Van Syckle: Agencies will need to provide a list of budgeted projects to ensure these are included in network upgrades.

Q: Stuart Fuller: How will this proposal affect office moves?

A: Mr. Van Syckle: The fixed cost should remain unchanged.

Mr. Fuller voiced concern regarding design specifications and measurement standards to determine what is adequate. The pass through model was established to address design specifications and measurement standards concerns. This decision brief proposal would revert to the previous model and revive these issues. Mr. Van Syckle stated the goal for the next two years is to increase connectivity speed at WAN sites. This model will be reviewed in a year to determine lessons learned and how to move forward. Future steps in his plan include mapping out required upgrades for the upcoming biennium to address site connectivity as needed across the enterprise.

Kreh Germaine commented his support for the streamlining and simplification goals of this proposal. Mr. Germaine also voiced concern regarding prioritization of upgrades and how this will fit with agency priorities.

Q: Mr. Germaine: Agencies who switch to flex Virtual Private Network (VPN) receive a cost savings. How will Flex VPN be impacted?

A: Ms. Johnston: SITSD will retain the ability to reinvest cost savings from upgrades to capitalize on further savings.

Ms. Johnston requested transparency in prioritization of the cost savings reinvestment.

Mr. Van Syckle stated analytic tools will be used to determine prioritization of site upgrades. Current lists of agency site upgrades can be incorporated into the plan.

Ms. Johnston recommended quarterly or semi-annual updates from SITSD regarding cost savings reinvestment and site upgrades. Ms. Johnston proposed EITFW members articulating their concerns within the decision brief and include a list of the projects they are currently working on.

SPLUNK Decision Brief

Mr. Van Syckle stated this decision brief entails a proposal to reduce the number of SPUNK catalogue items from four to two. SITSD will retain two SPLUNK catalogue items for archive storage and live storage. This will result in a decrease of cost to run SLPUNK and simplify billing. This change will require a few months to be fully implemented.

Enterprise Service Rate Change Rubrik Decision Brief

Mr. Van Syckle reviewed the Enterprise Service Rate Change Rubrik Decision Brief to simplify billing for storage. Data is ingested into the backup system, then duplicated data is removed, and all remaining data is compressed to maximize storage space. This creates difficulties in applying a rate at ingestion because agencies may get charged for duplicate data. This decision brief proposal would apply billing at a different point in the backup stream. This is a budget neutral change to generate storage fees according to final amount of

stored data rather than the amount of data at ingestion. An average three cent rate will be established for storage. This will help agencies project backup storage costs. Questions regarding this decision brief should be directed to Mr. Van Syckle at MVansyckle@mt.gov.

Q: Ms. Greiberis: With the new budget model, is SITSD looking to complete multiple rate changes?

A: Mr. Van Syckle: With the executive order, a lot of new data was added to the rate model. This has resulted in several unknown factors. As more knowledge is gained regarding product usage, rates may be subject to change. With SITSD's full transparency model for rate setting, any change in delta model leads to review of catalogue items and potential for revision of rates. Recent billing simplification decision briefs were prompted by agency suggestions.

Ms. Pizzini stated SITSD is constantly looking to improve rates and simplify the billing process. No further rate changes are being considered at this time. All rate change proposals will be presented to EITFW for comment and review.

Motion: Ms. Johnston proposed cancelling July 6, 2017 EITFW meeting. Ms. Jones moved to approve the July 6, 2017 meeting cancellation. Mr. Bousliman seconded the motion. Motion carried.

Next Meeting

August 3, 2017

1:00 PM to 2:00 PM

Cogswell Building, Room 151

Adjournment

The meeting adjourned at 1:49 PM.